

Proposed Bill No. 212

January Session, 2009

LCO No. 671

Referred to Committee on Insurance and Real Estate

Introduced by: SEN. FASANO, 34th Dist.

AN ACT PROHIBITING A CANCELLATION FEE FOR CERTAIN AUTOMOBILE LIABILITY INSURANCE POLICYHOLDERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 That title 38a of the general statutes be amended to prohibit an
- 2 insurer that delivers, issues for delivery, renews, amends or endorses
- an automobile liability insurance policy in this state from charging a
- 4 cancellation fee or "short rate" when an insured cancels such policy if
- 5 the insured has been a customer of the insurer for at least one year.

Statement of Purpose:

To prohibit insurers from charging a cancellation fee when an insured cancels his or her automobile liability insurance policy if said insured has been a customer of the insurer for at least one year.